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High-level international intergovernmental consideration of financing for development

Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development

Programme budget implications of draft resolution A/C.2/57/L.62

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

1. Under the terms of operative paragraphs 3, 4, 5, 7 and 8 of draft resolution A/C.2/57/L.62, the General Assembly would, inter alia:

(a) Request the Secretary-General to establish appropriate secretariat support arrangements along the lines envisioned in paragraph 48 of the report of the Secretary-General on the outcome of the International Conference on Financing for Development (A/57/344);

(b) Decide that the functions of the new secretariat support structure should be of an integrating, cross-cutting and holistic nature, and that it should, inter alia, serve as a focal point in the United Nations Secretariat for overall follow-up to the implementation of the outcome of the Conference; provide secretariat support to the intergovernmental process entrusted with the follow-up to the Conference; support and facilitate the participation of all stakeholders; follow closely issues and policies related to international economic, financial and development cooperation; and keep under review actions taken at all levels in follow-up to the Conference, as well as within the framework of international economic, financial and development cooperation in general;

(c) Request the Secretary-General to accord priority to the following main tasks related to follow-up activities: (i) promoting coherence and an integrated approach within the United Nations to issues related to financing for development, fully utilizing the United Nations System Chief Executives Board for Coordination mechanism; (ii) intensifying interactions with the secretariats of the World Bank, the

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International Monetary Fund and the World Trade Organization, as well as with other institutional stakeholders; (iii) continuing the involvement of other relevant stakeholders, including civil society organizations and the private sector; and (iv) preparing inputs for consideration by the intergovernmental bodies concerned;

(d) Decide that the provisions of the present resolution should be implemented, by utilization of existing resources, starting at the beginning of 2003;

(e) Request the Secretary-General to seek voluntary contributions to support the follow-up to the Conference.

2. The above-mentioned functions would be carried out by a new Financing for Development Office in the Department of Economic and Social Affairs. As requested by the Committee for Programme and Coordination in paragraph 107 of its report,[1] proposals for a new subprogramme on financing for development, under programme 7, Economic and Social Affairs, of the medium-term plan for 2002-2005, will be presented together with the proposed programme budget for the biennium 2004-2005.

3. It is also foreseen that demands on existing substantive capacities and the scope of the tasks to be accomplished will increase substantially in responding to the resolution, and that the proposed consolidation will afford absorption to the maximum extent possible within existing resources. There are, however, specific tasks, particularly relating to the intensification of interactions and the efforts to facilitate the participation of all stakeholders, which are considered new and additional to current tasks carried out.

4. In the interest of optimizing the use of existing resources, it is the intention of the Secretary-General to carry out the programme of work envisaged under the draft resolution through consolidation of finance aspects of development and the redeployment of related staff resources under relevant subprogrammes in the newly established Financing for Development Office for the duration of the biennium 2002-2003. This will enable the creation of a critical mass of capacity for policy analysis in support of intergovernmental deliberations on finance for development issues, which will make it possible to provide distinctive, focused support for the follow-up to the Monterrey Consensus.[2] This will be carried out in an integrating, cross-cutting and holistic manner, including the finance for development related aspects of the outcomes of relevant United Nations conferences, and within the framework of international economic, financial and development cooperation in general, as required under the draft resolution. It is initially estimated that the staff resources of the Office will consist of a total of 14 posts at the Professional level and above and 5 General Service (Other level) posts. Of the total number of posts required, 10 Professional and above (2 D-1, 2 P-5, 2 P-4, 3 P-3, 1 P-2) and 3 General Service (Other level) posts will be redeployed from within the Department of Economic and Social Affairs. Additional posts, consisting of 1 D-2, 1 P-5, 1 P-4, 1 P-3 and 2 General Service (Other level), would therefore be required from the regular budget.

5. During the course of 2003, posts and non-post requirements to implement the activities will be met through ad hoc interim measures for the use of existing resources referred to above, together with the utilization of residual extrabudgetary resources under the existing trust fund which provided support to the International Conference on Financing for Development and its preparatory process. In this

regard, it is the intention of the Secretary-General to seek the concurrence of donors to utilize the balance of the trust fund to provide support to the follow-up to the Conference, as well as seek voluntary contributions, as provided for in paragraph 8 of draft resolution A/C.5/57/L.62.

6. However, the need to provide leadership for the programme of work envisaged and to expedite and manage the consolidation of the finance aspects of development within the new office in 2003, would necessitate the appointment of a Director at the D-2 level as Head of the new Financing for Development Office to be financed under the United Nations regular budget. The Director would be responsible for serving as the focal point in the United Nations Secretariat for the provision of secretariat support for sustained follow-up within the United Nations system of the implementation of agreements and commitments reached at the International Conference on Financing for Development, as contained in the Monterrey Consensus. It is also estimated that other staff and non-staff resources would be required from the regular budget, in view of the complexity of the tasks. However, it is the intention of the Secretary-General to request such additional resources in the context of his proposed programme budget for the biennium 2004-2005. At this stage, it is anticipated that the additional resources associated with one new D-2 post could not be absorbed within the provisions of the programme budget for the biennium 2002-2003.

7. As regards the phrases "within existing resources" and "utilization of existing resources" in paragraphs 3 and 7, respectively, of the draft resolution, the attention of the Committee is drawn to the provision in resolution 45/248, part B VI, in which the General Assembly:

(a) Reaffirmed that the Fifth Committee was the appropriate Main Committee of the General Assembly entrusted with responsibilities for administration and budgetary matters;

(b) Reaffirmed also the role of the Advisory Committee on Administrative and Budgetary Questions;

(c) Expressed its concern at the tendency of its substantive Committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters;

(d) Invited the Secretary-General to provide all intergovernmental bodies with the required information regarding procedures for administrative and budgetary matters.

8. Should draft resolution A/C.5/57/L.62 be adopted, additional expenditures of $203,200 would arise under the programme budget for the biennium 2002-2003, to be charged against the contingency fund, to cover the salary of one D-2 post, common services costs and staff assessment, to be offset by an equivalent amount for income from staff assessment. Appropriate action in that regard would be taken by the General Assembly during its current session, in accordance with the procedure established by the Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987.

9. Every effort has been made to absorb requirements for envisaged activities within existing resources. However the requirements identified for regular budget financing in 2003 cannot reasonably be deferred and is thus proposed for establishment in 2003.

Notes

[1] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 16* (A/57/16).

[2] *Report of the International Conference on Financing for Development*, Monterrey, Mexico, 18-22 March 2002 (United Nations publication, Sales No. E.02.II.A.7), chap. 1, resolution 1, annex.